

**[BFD MEMORANDUM CIRCULAR NO. 52 s. 1993,
September 16, 1993]**

**AMENDMENT TO MEMORANDUM CIRCULAR NO. 18, s. 1985 RE:
PROSECUTION OF PACQUIAO CONTRACTS IN THE
CONSTRUCTION OF IRRIGATION PROJECTS**

In order to further encourage the participation of locally-based labor contractors and Irrigators Associations in undertaking construction/rehabilitation of minor irrigation facilities through "Pacquiao Contract", Paragraph 3.3, Section 3 of Memorandum Circular No. 18, s. 1985 is hereby amended as follows:

3.3 Documented evidence that the labor contractor is capable of financing an initial capitalization (cash) of no less than 10% of the cost of the Pacquiao Contract.

In cases where Irrigators Associations are among the groups interested in doing the works through this scheme, their registration with the Securities and Exchange Commission shall be submitted. As additional documentation, the IAs shall submit a resolution passed by their Board of Directors and ratified by their members stating that the work(s) nor any part thereof shall not be sublet to any third party, and that eventual breach hereof shall be enough ground to disqualify the IAs from being awarded similar future undertakings.

Since "Pacquiao Contract" is a system of undertaking public works projects by labor intensive method under the Filipino "bayanihan" spirit wherein the workers in the locality group themselves, put up capital and render labor services on a cooperative basis, it is understood that all necessary materials shall be furnished by NIA except those for formworks (lumber, plywood, hardware, etc.) which shall be furnished by the contractor.

All other provisions of M.C. No. 18, s. 1985, M.C. No. 11, s. 1991 and M.C. No. 25 s. 1991 except those that are superseded by the foregoing shall remain in force.

This memorandum takes effect immediately.

Adopted: 16 Sept. 1993

(Sgd.) APOLONIO V. BAUTISTA
Administrator

